JANUARY

09

MONDAY

6 PM CALL

Market today: Banking Stocks Continued to Lead the Market

*(**Quang Vo** - Ext: 1517)*

The Upcom welcomed six new stocks today, with a total market capitalization of around VND12,200 billion. VIB (Vietnam International Commercial) and SID (Saigon Co.op Investment Development) were responsible for drawing the most attention from investors, as VIB and SID increased by 8.8% and 38.7% during its first trading day. *QNS, VGT, NVL, MCH and HVN have been unable to deliver stellar returns akin to BHN after listing recently. We think that the same scenario could occur for new stocks that list in future sessions.*

Regarding to VIB, the company began trading on the UpCOM today at VND 17,000 per share. Thanks to the positive trend of banking stocks since last week, VIB performed well, rallying 8.8% and having 346,000 stocks traded. VIB's charter capital was VND4,845 billion by the end Q3 2016, and loans in advances and deposits from customers' market share was a mere 1%, quite low compared to other JSBs such as ACB or STB. VIB's profitability was low with a NIM of 2.9%, and ROE and ROA of 6.1% and 0.63% respectively. Meanwhile, VIB's CAR reached 15.3%, far higher than the required CAR of 9% under Circular 36. Being a bank who also pilots Basel II since 2017, such high CAR implies that the rising capital pressure on VIB is not as serious as for other listed banks. At the closing price of VND 18,500, VIB trades at a PBR of 1.05x, quite low compared to ACB.

"Banking Stocks Continued to Lead the Market"

HSG's put-through transaction during today's session is also worth noting. Its total put-through trading value was around VND568.7 billion, accounting for roughly 49% of the total put-through trading value. HSG's price continued to decreased by 0.4%, following the big fall of 4.5% seen during yesterday's session. We think that the movement is related to the company's estimated results that were recently released, as HSG's profit after tax is expected to be VND400 billion. There is a high possibility that the lower-than-expected results triggered some investors to take out their profits through put through transactions.

On the HSX, the three stocks that most positively impacted the VN index were banking stocks, including VCB (+2.1%), CTG (+2.7%) and BID (+2.9%); these companies contributed to 2.57 points of today's gain. From the beginning of 2017, VCB, CTG and BID have increased by approximately 9%, 13% and 14%, respectively. *Banking stocks have been significantly impacting the market since the beginning of this year, and the movement of the sector can be witnessed as the market's indicator at present. We think that the correction of banking stocks could be seen in the next few sessions, as the stocks' prices are quite close to its resistance level. As a result, the VN-Index could re-test the 680 level, before having any further movement.*

Analyst Pin-board

HSG's FY16-17 AGM: Core Business Remains Solid

*(**Trinh Nguyen** – Ext: 1331)*

If you are interested in this content, please click here to view more detail.

Recommendations:

VN-Index and HNX-Index kept going up although the liquidity was quite low. The numbers of gainers and losers were almost equal. The current trend is up and therefore traders may disburse more on corrections.

PORTFOLIO RECOMMENDED BY TECHNICAL ANALYSIS

Ticker	Price	Action	Buying date	Buying Price	Target Price 1	Target Price 2	Cut loss Price	Selling Date	Selling Price	Gain/ Loose	Duration
BVH	61.60	**Buy**	05/01/2017	61.10	66.00		58.00			0.82%	Short
PVD	21.50	**Hold**	03/01/2017	20.80	23.00	25.0	19.50			3.37%	Intermediate
HCM	28.40	**Hold**	03/01/2017	28.30	30.00		27.00			0.35%	Short
CII	32.30	**Take profit**	18/11/2016	28.80	31.35		27.85	09/01/2017	32.30	12.15%	Intermediate
PPC	16.80	**Take profit**	18/11/2016	14.50	16.20		13.70	09/01/2017	16.80	15.86%	Intermediate
VGC	15.30	**Take profit**	26/07/2016	13.50	17.60		12.60	09/01/2017	15.30	13.33%	Long
LHC	69.80	**Hold**	21/08/2015	41.50	70.00	78.0	58.00			68.19%	Long

Notes:
- **Buying Price** is the Close Price at Buying date. **Selling Price** may be the Target Price, Cut loss Price or Closing Price at Selling date depending on specific cases.
- **Target Price 2** will be updated when the stock passes Target Price 1.
- In the ex-rights date, the prices will also be adjusted accordingly
- Duration: **Short-term** is less than 01 month; **Intermediate-term** is from 01 to 03 months; **Long-term** is more than 03 months.

RONGVIET SECURITIES

6PM CALL

RONG VIET NEWS

COMPANY REPORTS	Issued Date	Recommend	Target Price
SKG - Competition Will Begin to Impact Earnings Results	December 16th, 2016	Neutral – Long term	72,800
VGC - Catalysts Ahead for VGC to Fully Realize its Potential	December 14th, 2016	Neutral – Long term	17,800
SAB - The Giant of Vietnam's Beer Industry	December 06th, 2016	Neutral – Long term	143,000
DHG - Hope awaits in 2017	November 30th, 2016	Accumulate – Long term	119,000
GMD - Encouraging result amid short-term cargo low	November 28th, 2016	Accumulate – Intermediate term	30,000

Please find more information at http://www.vdsc.com.vn/en/companyReport.rv?categoryId=302

FUND CERTIFICATION INFORMATION

Fund name	Trading Day	Subscription Fee (% of trading value)	Redemption Fee (% of trading value)	NAV per unit at valuation date	NAV per unit last valuation date	Change in NAV
VF1	30/12/2016	0.25% - 0.75%	0% - 2.5%	27,993	27,959	0.12%
VF4	30/12/2016	0.25% - 0.75%	0% - 2.5%	12,436	12,425	0.09%
VFA	30/12/2016	0.25% - 0.75%	0% - 1.5%	6,697	6,725	-0.42%
VFB	30/12/2016	0.25% - 0.75%	0% - 2.5%	13,813	13,798	0.11%
ENF	23/12/2016	0% - 3%	0%	13,763	13,771	-0.06%
MBVF	15/12/2016	1%	0%-1%	11,905	11,966	-0.51%
MBBF	21/12/2016	0%-0.5%	0%-1%	13,413	13,403	0.07%

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